

FISCAL NOTE

SB 260 - HB 780

February 11, 2001

SUMMARY OF BILL: Removes the requirement that, before the Commissioner of Commerce and Insurance may bring an action based upon a deceptive or unfair insurance claim settlement practice, the Commissioner must determine that such deceptive or unfair insurance claim settlement practice must be performed *with such frequency as to indicate a general business practice*. This bill also would allow private rights of action against deceptive or unfair insurance claim settlement practices by removing the prohibition to such private rights of action.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Not Significant

Increase State Expenditures - Not Significant

Estimate assumes that:

- a reduced burden of proof will allow the Commissioner more discretion in penalizing such claim settlement practices.
- any increase in state expenditures as a result of increased actions by the Commissioner is estimated to be not significant.
- any civil penalties levied and collected by the Commissioner from those in violation of the law is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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